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8 July 1963

MEMORANDUM FOR:

The Director of Central Intelligence

SUBJECT

Penkovskiy case

l. You already have a memorandum giving our views on how we believe Penkovskiy may have been caught by the Soviet authorities, although we have to date received no precise information which leads us to believe that we have a definitive explanation. I would like to add the following information which we received the middle of last week from during a controlled debriefing conducted by a staff officer of this Agency.

1.3(a)(4

2. With respect to Penkovskiy, Source stated, "our people" in the United States realized that some important information was leaking out of the Soviet Union. A discreet investigation took place and by the process of elimination led to Penkovskiy. When pressed for details as to whether Soviet agents in the United States had learned of the information acquired by the United States, Source commented that he only assumed that persons (Soviet) in the United States had learned that the United States Government had obtained this information.

1.3(a)(4)

- 3. Also, according to Source, Khrushchev mentioned in December 1962 at a gathering in Kiev attended by Tito and others, that Penkovskiy had done a lot of harm but also that he had done some good simply on the grounds that now the United States knows the strength and technological advancement of the Soviet Union.
- 4. Source also claimed that because of Penkovskiy there have been many changes made in Soviet defense but that these changes tend to be minor and not basic.

Dist. - Orig - DCI l cc - C/SR Richard Helms Deputy Director (Plans)

1.3(a)(4)

С-о-р-у